Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB 2102 **Patron:** Feggans

Bill Title: Pregnant individuals; DMAS to seek federal authority to implement presumptive eligibility, etc.

Bill Summary: The proposed legislation directs the Department of Medical Assistance Services (DMAS) to seek federal authority to implement presumptive eligibility for pregnant individuals, in addition to the existing hospital presumptive eligibility program. Once federal approval is provided, DMAS is allowed to authorize qualified entities to make determinations of presumptive eligibility for pregnant individuals. Such entities include health care providers, community-based organizations, elementary or secondary schools, or any other entity that DMAS determines to be capable of making such determinations.

The bill directs qualified entities to provide pregnant individuals applying for presumptive eligibility with (i) the necessary applications for medical assistance and (ii) assistance with completing and submitting such applications. Under the bill, qualified entities are authorized to make determinations of presumptive eligibility for pregnant individuals who meet eligibility criteria for certain medical assistance programs and have not had a presumptive eligibility period during the current pregnancy. The bill also sets forth certain performance standards that qualified entities must meet to remain a qualified entity.

Budget Amendment Necessary: Yes **Items Impacted:** 288 and 292

Explanation: Funding is required under both Medicaid Program Services and Administrative and Support Services. Note: This FIS has been revised to correct the anticipated general fund and nongeneral fund expenditure impact. The total expected cost for this proposal has not changed.

Fiscal Summary: The proposed legislation will require expenditures for which the agency is not currently appropriated. See table and fiscal analysis below.

General Fund Expenditure Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
DMAS (602)	-	$4,469,269	$4,392,431	$4,575,516	$4,767,756	$4,969,608

Nongeneral Fund Expenditure Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
DMAS (602)	-	$6,673,785	$5,187,893	$5,373,857	$5,569,120	$5,774,145

Position Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
DMAS (602)	-	9.0	9.0	9.0	9.0	9.0

Fiscal Analysis: The Virginia Department of Health (VDH) reports that in 2022 there were 95,615 births of which 33.8 percent were covered by Medicaid. As such, it is assumed that 32,317 of those pregnancies were

already covered and adding presumptive eligibility would not increase those program costs. Of the 63,297 non-Medicaid births, DMAS assumes that ten percent, or 6,327 per year, would be presumptively enrolled through the proposed program. The average cost per person in the current presumptive eligibility aid category for pregnant women is estimated at $1,111 and assumed to grow at five percent per year. With one month claims lag ($0.6 million), DMAS estimates costs of $6.4 million total funds ($3.2 million general fund) in FY 2026 and $7.4 million total funds ($3.7 million general fund) in FY 2027.

Per federal regulations a state may not hold a qualified entity liable when a person is enrolled presumptively but later denied Medicaid eligibility when a full determination is completed. DMAS reports that strong state monitoring and oversight will be necessary to ensure presumptive eligibility is effectively deployed and utilized. As such, DMAS indicates that the provisions of this bill would require additional administrative effort. It is estimated that DMAS would need $4.7 million ($1.3 million general fund) and nine additional positions in FY 2026 to implement the provisions of this bill. Specifically, the agency would need resources to:

- Accept, review and effectuate presumptive eligibility enrollments from the qualified entities.
- Review enrollments and claims conducted by qualified entities for program integrity purposes.
- Process presumptive eligibility claims and ensure claims only include appropriate services.
- Perform monitoring of enrollments in agency systems.
- Ensure program compliance and monitor for fraud, abuse, and waste.
- Set up and maintain contract agreements with qualified entities, including Federally Qualified Health Centers in Virginia.
- Modify the CoverVA contract to review additional applications.
- Add these new eligibility fields to support presumptive eligibility.

The total cost of implementation is estimated to be $11.1 million ($4.5 million general fund) in FY 2026 and $9.6 million ($4.4 million general fund) in FY 2027.

Other: The introduced budget includes language in Item 288 that requires a reserve amount be appropriated for new Medicaid initiatives. In addition to the cost of the initiative, the reserve equals the difference between the general fund appropriated for the initiative in FY 2026 and the highest annual general fund cost of the initiative over the next six fiscal years. While not reflected in the table below, the reserve amount is estimated at $1.7 million general fund for the initiative required by this bill. Act language also delays initiative implementation until the reserve requirement is met. This bill is similar to SB 831.